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State of California
AIR RESOURCES BOARD

EXECUTIVE ORDER D-569
Relating to Exemptions Under Section 27156
Of the Vehicle Code

FreEnergy Group, Inc.
"EnergyCel"

WHEREAS, Vehicle Code Sections 27156 and 38391, and Title 13, California Code of Regulations (hereafter "CCR") Section 2222(e), authorize the California Air Resources Board (ARB) and its Executive Officer to exempt add-on and modified aftermarket devices from the prohibitions of Vehicle Code Section 27156.

WHEREAS, FreEnergy Group, Inc. of 214 South First Street, Rogers, Arkansas 72756, has applied to the ARB for exemption from the prohibitions in Vehicle Code Sections 27156 and 38391 for the EnergyCel manufactured for use on all 2003 model year and older gasoline and diesel vehicles.

WHEREAS, pursuant to the authority vested in the Executive Officer by Health and Safety Code Section 39515 and in the Chief, Mobile Source Operations Division by Health and Safety Code Section 39516 and Executive Order G-02-003 the ARB finds that:

1. The EnergyCel is an add-on device installed around the fuel line in a motor vehicle.
2. The EnergyCel is intended for use with a required motor vehicle pollution control system.
3. The EnergyCel by being installed around the fuel line alters the original design of a motor vehicle pollution control system.
4. The EnergyCel is a device subject to the prohibitions of Vehicle Code Section 27156 and an add-on part as defined by Title 13, CCR Section 1900, (b)(1).
5. The EnergyCel does not reduce the effectiveness of any required motor vehicle pollution control system.
6. The ARB, in exercising technical judgement, is aware of no basis on which the EnergyCel will provide either a decrease in emission or an increase in fuel economy.

7. The ARB has not determined what effect the use of the EnergyCel may have on any warranty; either expressed or implied, by the manufacturer of a motor vehicle on which the device is installed.
8. The EnergyCel is not a certified motor vehicle pollution control device pursuant to Health and Safety Code Section 43644.
9. The ARB by granting an exemption to FreEnergy Group, Inc. for the EnergyCel does not recommend or endorse in any way the EnergyCel for emissions reduction, fuel economy, or any other purpose.

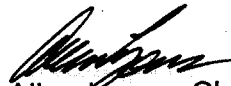
IT IS HEREBY RESOLVED that the EnergyCel is exempt from the prohibitions of Vehicle Code Section 27156 for installation on 2003 model year and older gasoline and diesel vehicles subject to the following conditions:

1. No changes are permitted to the EnergyCel device as described in the application for exemption. Any changes to the EnergyCel or any of its component, or other factors addressed in this order must be evaluated and approved by the ARB prior to marketing in California.
2. Marketing of the EnergyCel without a permanent label showing the Executive Order number or marketing of the EnergyCel for an application other than the one stated in this Executive Order shall be prohibited unless prior approval is obtained from the ARB. Exemption of this product shall not be construed as an exemption to sell, offer for sale, or advertise any components of the EnergyCel as an individual device.
3. Any oral or written references to this Executive Order or its content by FreEnergy Group, Inc., its principals, agents, employees, distributors, dealers, or other representatives must include the disclaimer that the Executive Order or the exemption it provides is not an endorsement or approval of any emissions reduction claims for the EnergyCel and is only a finding that the EnergyCel is exempt from the prohibitions of Vehicle Code Section 27156.
4. This exemption shall not apply to any device, apparatus, or mechanism advertised, offered for sale, sold with, or installed on a motor vehicle prior to or concurrent with transfer to an ultimate purchaser.
5. No claim of any kind, such as "Approved by the Air Resources Board" may be made with respect to this Executive Order in any advertising or other oral or written communication.

THIS EXECUTIVE ORDER DOES NOT CONSTITUTE A CERTIFICATION, ACCREDITATION, APPROVAL, OR ANY OTHER TYPE OF ENDORSEMENT BY THE AIR RESOURCES BOARD OF ANY CLAIMS OF THE APPLICANT CONCERNING ANTI-POLLUTION BENEFITS OF THE ENERGYCEL.

Violation of any of the above conditions shall be grounds for revocation of this order. The order may be revoked only after ten day written notice of intention to revoke it, during which period the holder of the order may request in writing a hearing to contest the proposed revocation. If a hearing is requested, it shall be held within ten days of receipt of the request, and the order may not be revoked until a recommendation is made, after the hearing, that grounds for revocation exist.

Executed at El Monte, California, this 12TH day of August 2003.



Allen Lyons, Chief
Mobile Source Operations Division